

**HR/Payroll Reconciliation**

Policy Area: HR/Payroll	Effective Date: 7/1/2007
Policy Sub Area: Payroll	Last Revision Date: NA
Authority: G.S. 143B-426.39 Powers and Duties of the State Controller	Policy Owner/Division: HR/PAYROLL
<p><u>Policy</u> All State entities should perform proper payroll reconciliations.</p> <p>Consistent reconciliation processes are a key internal control for the payroll function and must be performed by agencies that participate in the NC HR/Payroll System, and by universities, community colleges, and agencies that operate their own payroll system. Reconciliation procedures and system controls should provide assurance that errors are properly identified, and that payroll costs and deductions are correctly calculated. This includes but is not limited to a review of error and warning indicators, preliminary payroll results, final payroll totals, and general ledger postings.</p> <p><u>NC HR/Payroll System</u> During system payroll correction periods, agencies should review preliminary payroll results which are updated three times daily. A suggested process is in the Preliminary Payroll Review job aid. http://www.osc.nc.gov/training/osctd/help/Finance/Job%20Aids/PreliminaryPayrollReview.pdf</p> <p>In addition, after the NC HR/Payroll Systems results are finalized, agencies should reconcile the payroll expenses from the system to the amounts posted in the Cash Management Control System (CMCS) and North Carolina Accounting System (NCAS) or other general ledger. A suggested process is in the Payroll Financial Reconciliation Process job aid. http://www.osc.nc.gov/training/osctd/help/Finance/Job%20Aids/FinanceReconSteps.pdf</p>	
<u>Procedures</u>	
<u>Accounting Guidance</u> None noted.	

Related Documents (Memos/Forms)

G.S. 143B-426.39 Powers and Duties of the State Controller

http://www.ncleg.net/EnactedLegislation/Statutes/HTML/BySection/Chapter_143B/GS_143B-426.39.html

NC HR/Payroll System - Preliminary Payroll Review

<http://www.osc.nc.gov/training/osctd/help/Finance/Job%20Aids/PreliminaryPayrollReview.pdf>

NC HR/Payroll System Financial Reconciliation Process

<http://www.osc.nc.gov/training/osctd/help/Finance/Job%20Aids/FinanceReconSteps.pdf>

Revision History

Date	Version	Revision Description	Initials